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April 5, 2019

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: Application of Duke Energy Carolinas, LLC for Adjustments in Electric Rate Schedules
and Tariffs and Request for an Accounting Order
Docket No. 2018-319-E

Dear Ms. Boyd:

The Office of Regulatory Staff ("ORS") received late-filed Exhibit 56 from Duke Energy Carolinas ("DEC") on Monday evening, April 1, 2019. DEC referenced questions posed by Commissioner Ervin related to the materials DEC provided to ORS in response to ORS' Data Request 55-5 in the above referenced Docket No: 2018-319-E.

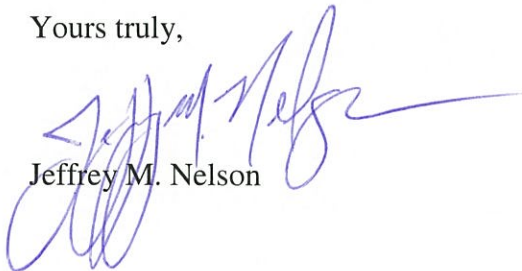
As an initial matter, ORS notes its objection to any effort to place late-filed Exhibit 56 into the evidentiary record now before the Commission. DEC had the opportunity to provide ORS and the Commission with sufficient information to support its claimed litigation expenses. DEC made the management decision not to provide specific detailed information to meet its burden of proof and rested on summary litigation costs and expense materials devoid of any substantive evidence.

A brief overview of the materials submitted to the Commission as part of DEC late-filed Exhibit 56 confirms the lack of identifying information necessary to determine if any listed fees, costs and expenses qualify as an approved regulatory expense for inclusion in DEC customer rates. DEC provided no basic information regarding any underlying litigation matter. The Commission has no basis to know if the listed litigation against DEC is the result of adverse judicial decisions issued against DEC resulting from poor management operating conditions; The matter numbers provided are not self-explanatory and are essentially useless in a regulatory proceeding.

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DEC included no basic information regarding the many dozen litigation line items referencing “CAB – Historical Pollution Insurance Coverage Coal Ash Remediation – DE Carolinas.” The materials did not advise if an insurance carrier denied coverage to DEC claims related to the Coal Ash disaster in North Carolina due to a guilty plea for criminal negligence. The time entries provide virtually no substantive information for consideration. In addition, the submitted materials do not even identify the specific date legal services were provided to the Company.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Jeffrey M. Nelson', is written over the typed name. The signature is fluid and cursive.

Jeffrey M. Nelson

cc: Joseph Melchers, Esquire (via E-mail)
Other Parties of Record (via E-mail)